

Purchase and Sale Agreement
6 & 10 Washington Avenue, Portland, Maine and
221 Congress Street, Portland, Maine

7/20/2016

This Agreement, dated _____, 2016, by and between **GREG'S PROPERTIES WASHAVE LLC**, a Maine limited liability company, whose mailing address is 26 Village Brook Road, Yarmouth, Maine 04096 (hereinafter referred to as "Seller") and **HAY RUNNER,LLC**, a Maine limited liability company, whose mailing address is 265 Main Street, Biddeford, Maine 04005 (hereinafter referred to as "Buyer")

Recitals:

A. Seller owns property situated in the City of Portland, County of Cumberland and State of Maine, located at 6 and 10 Washington Avenue and 221 Congress Street, as more particularly described in a Warranty Deed dated March 20, 2006 from Umbel Properties, LLC, recorded in Book 23771, Page 200 of the Cumberland County Registry of Deeds (the "Property" or the "Premises"). The Premises is also described by the City of Portland Tax Assessor as Tam Map 13, Block G, Lots 5, 7, and 12.

B. Buyer wishes to acquire the Property from the Seller and Seller wishes to convey the Property to the Buyer in exchange for the purchase price, all upon the terms and subject to the conditions hereinafter set forth.

Now, Therefore, in consideration of the mutual promises herein contained, and intending to be legally bound hereby, the parties hereby agree as follows:

1. **Closing.** The consummation of the transaction referred to in this Agreement (the "Closing") shall take place at the Law Offices of Robert E. Danielson, 65 West Commercial Street, Portland, Maine 04112-0545, thirty (30) days after the expiration of the Planning Board Approval and Financing Contingency Period, as hereinafter defined ("Closing Date"), or at such earlier time, date, and location as shall be mutually agreed upon by the parties.

2. **Sale of Real Estate.** Seller agrees to sell, convey, transfer and assign to Buyer and Buyer agrees to buy at the Closing, for the consideration hereinafter described, the Property.

3. **Title.** Seller shall convey the Premises at Closing in fee simple by a good and sufficient Quitclaim Deed With Covenant with good and marketable title, free and clear of all mortgages, liens, and encumbrances. Buyer agrees to complete its initial examination of title to the Property within Thirty (30) days from the Effective Date of this Agreement, and to give written notice to Seller if any matters appearing of record as of the date of Buyer's title search are objectionable to Buyer. Buyer hereby waives any matters not so objected to within Thirty (30) days from the Effective Date of this Agreement. Buyer shall also have the right to specify

in writing any additional objections to title not of record or otherwise known to Buyer as of the date of Buyer's initial title search, but appearing of record prior to Closing, except that if the same have been caused by Buyer, then the Buyer shall not be entitled to object to the same. If title to the Property to be conveyed hereunder should prove unmarketable, then Seller shall have a reasonable time beyond the date set for Closing to remedy the title defects. If Seller is unable or fails to remedy the title defects as to which notice is timely given hereunder, then Buyer may elect either (a) to terminate this Agreement, and all parties shall be relieved from all obligations and liabilities hereunder, or (b) to purchase the Property as contemplated herein without deduction from the Purchase Price, and accept such title as Seller can deliver to the Property.

Sellers may, at the time of delivery of the deed, use the purchase money or any portion thereof to clear the title of any and all encumbrances or interests.

4. **Transfers at Closing.** Seller agrees to deliver to Buyer at the Closing:

(a) A Quitclaim Deed conveying to Buyer good and marketable title to the Property, free and clear of all encumbrances.

(b) All other documents and/or property as required by this Agreement to be delivered by Seller to Buyer.

5. **Sketch Plan and Bridge Loan Contingency.** Buyer shall have Thirty (30) days from the Effective Date of this Agreement (the "Sketch Plan and Bridge Loan Contingency Period") to obtain an initial bridge loan ("Bridge Loan") of One Hundred Thousand Dollars (\$100,000.00) and obtain sketch plan approval ("Sketch Plan Approval") from the City of Portland for conceptual architectural plan for a 25 to 30 unit mixed use building that will conform to the City of Portland's Land-Use Ordinance (the "Proposed Project"). If Buyer, using good faith efforts, is unable to obtain a Bridge Loan and Sketch Plan Approval, Buyer shall provide Seller with written notice within said Sketch Plan and Bridge Loan Contingency Period and this Agreement shall be terminated, the Deposit returned to Buyer, and neither party shall have any further obligations under this Agreement. If no such notice is given within such time period, the contingency referred to in this Paragraph 5 shall be deemed satisfied and waived by the Buyer.

6. **Planning Board Approval and Financing Contingency.** If Buyer has not terminated this Agreement at the expiration of the Sketch Plan and Bridge Loan Contingency Period in accordance with the provisions of Paragraph 5, Buyer shall have Sixty (60) days from the expiration of the Sketch Plan and Bridge Loan Contingency Period (the "Planning Board Approval and Financing Contingency Period") to obtain approval from the Planning Board of the City of Portland Planning ("Planning Board Approval") and to obtain financing for the Proposed Project ("Financing Approval") on terms and conditions that are satisfactory to Buyer in Buyer's sole discretion. If Buyer, using good faith efforts, is unable to obtain a Planning Board Approval and Financing Approval, Buyer shall provide Seller with written notice within said Planning Board Approval and Financing Contingency Period and this

Agreement shall be terminated, the Additional Deposit, as hereinafter defined, returned to Buyer, and neither party shall have any further obligations under this Agreement. If no such notice is given within such time period, the contingency referred to in this Paragraph 6 shall be deemed satisfied and waived by the Buyer.

7. **Purchase Price and Payment.** The total purchase price (the "Purchase Price") to be paid by Buyer to Seller upon receipt from them of the above instruments effecting the conveyance of the Property to Buyer, and subject to the conditions set forth herein, shall be Five Hundred Thousand Dollars (\$500,000.00), which shall be paid by Buyer to Seller as follows:

(a) On the Effective Date Buyer shall deposit the sum of Twelve Thousand Five Hundred and 00/100 Dollars (\$12,500.00) with The Law Offices of Robert E. Danielson to be held as an earnest money deposit (the "Deposit") in a non-interest-bearing escrow account, which Deposit shall be credited towards the Purchase Price at the Closing. Buyer and Seller agree to hold The Law Offices of Robert E. Danielson harmless from damages, losses or expenses arising out of this Agreement. Seller discloses and Buyer acknowledges that Seller is represented in this transaction by The Law Offices of Robert E. Danielson. In the event of Seller's non-acceptance, this earnest money shall be promptly returned to Buyer.

(b) If Buyer has not terminated this Agreement at the expiration of the Sketch Plan and Bridge Loan Contingency Period in accordance with the provisions of Paragraph 5, the Deposit shall become non-refundable but otherwise applicable towards the Purchase Price at the Closing, and Buyer shall deposit the additional sum of Twelve Thousand Five Hundred and 00/100 Dollars (\$12,500.00) with The Law Offices of Robert E. Danielson to be held as an earnest money deposit (the "Additional Deposit") in a non-interest-bearing escrow account, which Additional Deposit shall be credited towards the Purchase Price at the Closing. The Additional Deposit shall become non-refundable at the expiration of the Planning Board Approval and Financing Contingency Period but shall otherwise be applied towards the Purchase Price at the Closing.

(c) At the Closing Buyer shall pay the sum of Seventy-Five Thousand and 00/100 Dollars (\$75,000.00) directly to the Seller in the form of a certified check, bank cashier's check or wired funds.

(d) At the Closing Buyer shall execute and deliver to Seller a Promissory Note (the "Note") for the balance of the Purchase Price, Four Hundred Thousand Dollars (\$400,000.00). Said Note shall be amortized over a twenty (20) year period, provide interest only payments for the first twenty-four (24) months, and bear interest at the rate of six percent (6.0%) per annum. The Note shall be secured by a junior priority mortgage on the Property (the "Mortgage"), subject only to the Buyer's first mortgage lender.

8. **No Representations, Warranties and Agreements of Seller.** Buyer acknowledges that Seller makes and has made no representation or warranty whatsoever,

including the suitability of the Premises for any particular purpose or the physical condition of the Premises. In particular and without limitation, Seller makes and has made no representation or warranty as to the presence or absence of any hazardous, toxic or special waste, substance, or material in, on, under, or about the Premises. Buyer acknowledges that in determining the suitability of the Premises for any purpose and with respect to the presence or absence of any of the aforementioned substances, Buyer will be relying solely on investigations conducted by it, its employees, agents or subcontractors.

9. **Additional Undertakings.** Each party to this Agreement shall execute and deliver or use its best efforts to cause to be executed and delivered such additional instruments as any other party may reasonably request for the purpose of carrying out the stated purposes of this Agreement.

10. **Notices.** Any notice or communication required or performed hereunder shall be sufficiently given if e-mailed, delivered in hand, or if sent by registered or certified mail, postage prepaid, to the following addresses, or to such other address as any party may designate:

If to the Seller: Greg’s Properties Washave LLC
Attn: Alec Altman
26 Village Brook Road
Yarmouth, Maine 04096
E-Mail: alec@bingaswingas.com
Tel: (914) 261-4440

with a copy to: Robert E. Danielson, Esq.
The Law Offices of Robert E. Danielson
65 West Commercial Street
Portland, Maine 04112-0545

If to the Buyer: Hay Runner, LLC
Attn: Caleb Johnson
265 Main Street, Biddeford, ME 04005
E-Mail: caleb@cjab.me
Tel: (207) 590-2503

with a copy to: _____

Any such notice shall be effective as of the second business day after the day of mailing thereof.

11. **Contents of Agreement.** This Agreement sets forth the entire understanding of the parties and supersedes any prior agreement or understanding relating to the subject matter of this Agreement. It shall be changed or terminated only by an instrument executed by all parties hereto in writing. Neither party shall be bound by any terms, conditions, promises, statements or representations, oral or written, not herein contained.

12. **No Broker.** The Buyer and Seller represent to each other that neither of them has dealt with any broker in any connection with the sale contemplated hereby. Any commission claimed by any broker on account of the sale contemplated herein shall be the sole responsibility of the party who dealt with such real estate broker, or whose actions gave rise to such claim. This provision shall survive the closing and the delivery of the deed.

13. **Possession.** Buyer shall be entitled to possession of the Property at Closing.

14. **Real Estate Taxes.** Real estate taxes and other municipal assessments assessed by the City of Portland against the Property shall be prorated according to its tax year as of the Closing Date.

15. **Risk of Loss.** The risk of loss or damage to the Property by fire or otherwise is assumed by the Seller until Closing. In the event of substantial loss or damage to the Property prior to the date set for closing, Buyer shall be entitled to terminate this Agreement, but if Buyer elects to complete the Closing, the Buyer shall be entitled to all of insurance proceeds or eminent domain award attributable to such taking, less only the amounts actually expended or incurred by Seller in efforts to obtain such proceeds or such award.

16. **Transfer Taxes.** Each of Buyer and Seller shall pay at Closing one-half of the real property transfer tax imposed on the sale of the Property contemplated hereby.

17. **Default.** If Buyer fails to make any payment as agreed, or otherwise defaults hereunder for a reason other than the default of the Seller, Seller shall be entitled to pursue all available legal and equitable remedies. Should Seller default on its obligations under this Agreement, the Buyer's sole and exclusive remedy shall be to terminate this Agreement and all parties shall be relieved from all obligations and liabilities hereunder.

18. **Withholding:** Seller is aware that Maine law requires Buyer to withhold 2.5% of the sale proceeds unless Seller certifies residency in Maine at the time of closing or is otherwise exempt from this provision.

19. **Binding on Successors.** All the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors, personal representatives, heirs and assigns of the parties hereto.

20. **Effective Date.** This Agreement is a binding contract when the last party has caused a paper or electronic copy of the fully executed Agreement to be delivered to the other party which shall be the Effective Date. Except as expressly set forth to the contrary, the use

of the term “days” in this Agreement, including all addenda made a part hereof, shall mean calendar days defined as including Saturday, Sundays and any observed Maine State/Federal holidays. Deadlines in this Agreement, including all addenda, expressed as “within x days” shall be counted from the Effective Date, unless another starting date is expressly set forth, beginning with the first days after the Effective Date, or such other established starting date, and ending at 5:00 p.m. Eastern Time on the last day counted

21. **Maine Law to Govern.** This Agreement is being delivered and is intended to be performed in the State of Maine and shall be construed and enforced in accordance with the laws of the State of Maine.

22. **Interpretation.** Wherever used herein the masculine gender shall include the feminine and neuter genders, and vice versa, as the context shall require. The paragraph headings are included solely for convenience and shall in no event affect, or be used in connection with, the interpretation of this Agreement. Time is of the essence of each and every provision of this Agreement.

23. **Miscellaneous.** This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument. All parties hereby acknowledge that they have executed this Agreement after the opportunity for investigation and consultation with an attorney, and in executing this Agreement they have not been induced, persuaded or motivated by any promise or representation made by any other party, except as may expressly be set forth herein. No oral representations have been made by or on behalf of Seller to induce Buyer to sign this agreement. All provisions of this Agreement shall survive the Closing and the delivery of the Deed. No invalidity or unenforceability of any provision of this Agreement shall affect in any way the continued validity or enforceability of the remaining terms and provisions hereof. The use of captions in this Agreement is for purposes of convenience only, and no caption or paragraph heading shall be construed or interpreted so as to affect in any way the meaning of this Agreement.

In Witness Whereof, the parties have executed this Agreement as of the date below.

Buyer:

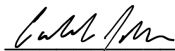
Seller:

Hay Runner, LLC

Greg’s Properties Washave LLC

DocuSigned by:

DocuSigned by:



Caleb Johnson, Its Manager

Alec Altman, Its Manager

Date: 7/19/2016

Date: 7/20/2016